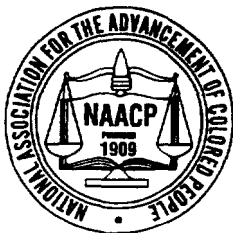


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WASHINGTON BUREAU
NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE
1025 VERMONT AVENUE, N.W. • SUITE 1120 • WASHINGTON, D.C. 20005
(202) 638-2269 FAX (202) 638-5936

December 2, 1999

The Honorable William Kennard
Chairman
Federal Communications Commission
445 12th Street, S.W.
Room 8B201
Washington, D.C. 20554

Dear Chairman Kennard;

As you are well aware, telephone service has become a vital part of American life today. Most households in America, regardless of their income, location, or racial background, depend on affordable, reliable telephone service. Furthermore, as the role of computers and the internet increases in our lives, affordable access to computers becomes increasingly important.

It is for this reason that I am contacting you today on behalf of the National Association for the Advancement of Colored People's Washington Bureau regarding the proposal submitted by the Coalition for Affordable Local and Long Distance Services (CALLS). As I understand the CALLS proposal, it would have the net result of both stabilizing universal service and lowering long distance rates to the average consumers.

Given the importance of long distance rates to both individuals and businesses today, an overall reduction in these rates would clearly be beneficial to the American economy as a whole. I therefore applaud the provisions in the CALLS proposal that would result in a reduction of long distance charges, and encourage the FCC to work with all the interested parties to see that the savings are passed on.

While the membership of the NAACP is clearly in support of lower long distance rates, we are perhaps more concerned with the portion of the proposal which would allow low-income families access to basic telephone

services. If we are to begin to seriously address the digital divide, which you so eloquently addressed at a recent NAACP National Board meeting, we must first assure that all Americans, regardless of their income, their color, their race, or the community in which they live, have affordable and reliable access to phone services.

For this reason, I am particularly encouraged by the provisions in the CALLS proposal extending and protecting the Lifeline benefits. I was also pleased to read the findings of the Consumer Welfare Study which found that Lifeline customers with annual incomes below \$10,000 could receive almost 3 percent in annual gains under the CALLS proposal, while those with incomes between \$10,000 and \$20,000 could obtain added benefit worth about 2.6 percent per year.

The NAACP, the nation's oldest and largest grassroots civil rights organization, is pleased to support any proposal that offers economic benefits to all Americans, regardless of their income, their race, or their physical location. We are especially pleased to support this proposal that would help bridge the digital divide. Should you have any questions about the NAACP position, or if I can be of help to you on any other matter, please do not hesitate to contact me at (202) 638-2269.

Sincerely,

A handwritten signature in black ink, appearing to read 'Hilary O. Shelton', with a long horizontal flourish extending to the right.

Hilary O. Shelton
Director